

FISCAL NOTE

HB 41

SECOND EXTRAORDINARY SESSION

November 10, 1999

SUMMARY OF BILL: Increases the privilege tax on cigarettes from 13 cents per pack of twenty cigarettes to 26 cents per pack of twenty cigarettes.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$71,604,000

Increase State Expenditures - \$25,000 One-Time

Estimate assumes the following:

- Approximately 612,000,000 packs of cigarettes were sold last year.
- A decrease in sales of approximately 30,600,000 packs due to the increased tax.
- Cigarettes are sold in packs of twenty.
- A one-time increase in state expenditures of \$25,000 resulting from MIS system implementation costs.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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